

1-1 By: Taylor of Galveston S.B. No. 545
 1-2 (In the Senate - Filed February 11, 2015; February 18, 2015,
 1-3 read first time and referred to Committee on Finance;
 1-4 April 22, 2015, reported favorably by the following vote: Yeas 12,
 1-5 Nays 0; April 22, 2015, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Nelson	X			
1-8 Hinojosa	X			
1-9 Bettencourt	X			
1-10 Eltife			X	
1-11 Hancock	X			
1-12 Huffman	X			
1-13 Kolthorst	X			
1-14 Nichols	X			
1-15 Schwertner	X			
1-16 Seliger			X	
1-17 Taylor of Galveston	X			
1-18 Uresti	X			
1-19 Watson	X			
1-20 West	X			
1-21 Whitmire			X	

1-23 A BILL TO BE ENTITLED
 1-24 AN ACT

1-25 relating to the exemption from ad valorem taxation of real property
 1-26 leased to and used by certain schools.

1-27 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-28 SECTION 1. Subchapter B, Chapter 11, Tax Code, is amended by
 1-29 adding Section 11.211 to read as follows:

1-30 Sec. 11.211. REAL PROPERTY LEASED TO CERTAIN SCHOOLS. A
 1-31 person is entitled to an exemption from taxation of the real
 1-32 property that the person owns and leases to a school that is
 1-33 qualified as provided by Section 11.21(d) if:

1-34 (1) the real property is used exclusively by the
 1-35 school for educational functions;

1-36 (2) the real property is reasonably necessary for the
 1-37 operation of the school;

1-38 (3) the owner certifies by affidavit to the school
 1-39 that the rent for the lease of the real property will be reduced by
 1-40 an amount equal to the amount by which the taxes on the property are
 1-41 reduced as a result of the exemption;

1-42 (4) the owner provides the school with a disclosure
 1-43 document stating the amount by which the taxes on the real property
 1-44 are reduced as a result of the exemption and the method the owner
 1-45 will implement to ensure that the rent charged for the lease of the
 1-46 property fully reflects that reduction; and

1-47 (5) the rent charged for the lease of the real property
 1-48 reflects the reduction in the amount of taxes on the property
 1-49 resulting from the exemption through a monthly or annual credit
 1-50 against the rent.

1-51 SECTION 2. This Act applies only to ad valorem taxes imposed
 1-52 for a tax year beginning on or after the effective date of this Act.

1-53 SECTION 3. This Act takes effect January 1, 2016, but only
 1-54 if the constitutional amendment authorizing the legislature to
 1-55 exempt from ad valorem taxation real property leased to certain
 1-56 schools organized and operated primarily for the purpose of
 1-57 engaging in educational functions is approved by the voters. If
 1-58 that amendment is not approved by the voters, this Act has no
 1-59 effect.

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